

RENTAL PROPERTY LEASE AGREEMENT

THIS LEASE AGREEMENT is made this 20TH..... Day of MAY..... 2023.

BETWEEN: ROSEMARY MARGRETH MSULWA of P.O Box 8570, DAR ES SALAAM, Tanzania (hereinafter referred to as the 'LESSOR' in which this expression shall her successors, executer, and assignees in title) of the one part.

AND: HUAI YANG XUAN CO. LIMITED of PLOT #431, Mahando Street, Msasani Peninsular (Masaki), DAR ES SALAAM, Tanzania (hereinafter called the 'LESSEE'), represented by SHENGYU XIAO, of the other part.

WHEREAS:

- A. The LESSOR is the registered owner of all that piece land known as **Plot #431 Mahando Street, Msasani Peninsular (Masaki), Dar es Salaam**, (hereinafter called "the demised premises" or "the premises").
- B. The LESSEE desires to rent the demised premises from the LESSOR as it is, who is willing to provide tenancy on the terms and conditions herein after contained.

NOW THEREFORE THIS AGREEMENT WITNESSTH as follows; -

1. TERM OF THE TENANCY

The LESSOR shall lease to the LESSEE the demised premise for a period of **10 years renewable** from the **1st Day of August 2023** to the **31st Day of July 2033**.

2. RENT PAYABLE

- a. The LESSEE shall pay a monthly rent of **US Dollars Five Thousand, Two Hundred Fifty (US \$5,250) only, VAT exclusive (If applicable)**. Payments shall be made quarterly (every 4 months) in advance for the first year, in consideration of the developments undertaken by the LESSEE.
- b. The LESSEE shall pay quarterly, a lump sum amount of **US Dollars Twenty-one Thousand (\$21,000) VAT exclusive** being rent for four (4) months for Year 1 of this Lease Agreement. In subsequent years, rent will be paid bi-annually, being every six (6) months.
- c. The rental charges shall be at agreed fixed rate for five (5) years upon signing this Lease Agreement. Thereafter, the rent will increase by five percentage (5%) every 5 years.

- d. For the LESSOR to hold the premise for the LESSEE until August 2023, the LESSEE shall sign the Lease Agreement and pay a deposit of three (3) months, equivalent to **US Dollars Fifteen Thousand, Seven Hundred Fifty (USD \$15,750)** by the end of April 2023. The outstanding rental balance of **US Dollars Forty-seven Thousand, Two Hundred Fifty (USD \$47,250)** shall be paid on a quarterly basis (every 4 months), over the contract year 2023-2024.
- e. In 2023, the LESSEE shall pay on the 1st day of August 2023, **US Dollars Twenty-one Thousand (\$21,000)**. On the 1st day of December 2023, **US Dollars Twenty-one Thousand (\$21,000)** and on the 1st day of April 2024 **US Dollar Five Thousand Two Hundred Fifty (\$5,250)**.
- f. In subsequent years beginning August 2024, the LESSEE shall pay every six (6) months the rental amount of **US Dollars Thirty-one Thousand Five Hundred (\$31,500)** in advance on the 1st day of August, and **US Dollars Thirty-one Thousand Five Hundred (\$31,500)** on the 1st day of February each year for the duration of the Lease Agreement.
- 2.1 In the event the LESSOR terminates the agreement before August 2023, the LESSOR shall be required to give one month notice and refund the deposit of **US Dollars Fifteen Thousand, Seven Hundred Fifty (USD \$15,750)** paid in advance and refund any amount the LESSEE invested into the demised premise, upon provision of evidence of the costs incurred.
- 2.2 In the event the LESSEE terminates the Lease Agreement before moving in, the LESSEE shall issue a written notice and forfeit some of the rent paid in advance in the following manner;
- a. If the notice to leave is issued in May 2023, the LESSEE shall forfeit a one month of the deposit equivalent to **US Dollars Five Thousand, Two Hundred Fifty (US \$5,250)** only and shall receive a refund of **US Dollar Ten Thousand, Five Hundred USD (\$10,500)** only.
- b. If the notice to leave is issued in June 2023, the LESSEE shall forfeit two months of the deposit equivalent to **US Dollar Ten Thousand, Five Hundred USD (\$10,500)** only and shall receive a refund of **US Dollars Five Thousand, Two Hundred Fifty (US \$5,250)** only.
- c. If the notice to leave is issued in July 2023, the LESSEE shall forfeit the three months of the deposit **US Dollars Fifteen Thousand, Seven Hundred Fifty (USD \$15,750)** and shall not receive any refund of the rent paid in advance.

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6. RENEWAL

If the LESSEE shall be desirous of taking a lease of the demised premises for any further term from the expiration of the term hereby granted, shall, not less than three (3) months before expiration of the term hereby granted, have given to the LESSOR notice in writing of her/his intention to renew the lease. **Otherwise, it is assumed the LESSEE is content with renewing and the Lease Agreement is automatically renewed for another duration of the standing contract.** The LESSOR shall then continue to let the demised premises to the LESSEE for a further term, at a rent and conditions to be mutually determined by both parties.

7. NOTICES

Any notice under this agreement shall be in writing and shall be sufficiently served to the address of the addressee as stated in the first paragraph or of this Lease Agreement or to the LESSEE's electronic mail.

8. DISPUTES

All disputes or differences whatsoever which at any time during the continuance of the lease/upon/after its discharge or determination arises between the parties touching or concerning this lease or its construction or as to the rights, duties & liabilities of the parties hereto or any of them under, may be referred to the court of law or a Housing Tribunal governed by the laws of the United Republic of Tanzania.

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IN THE WITNESSETH WHEREOF the parties hereto have executed these presents in the manner and on the days and year hereinafter appearing

SIGNED and DELIVERED by the said ROSEMARY MARGRETH MSULWA who is known to me personally/identified to me by the latter being known to me personally in my presence this 20TH day of MAY 2023.

Msulwa

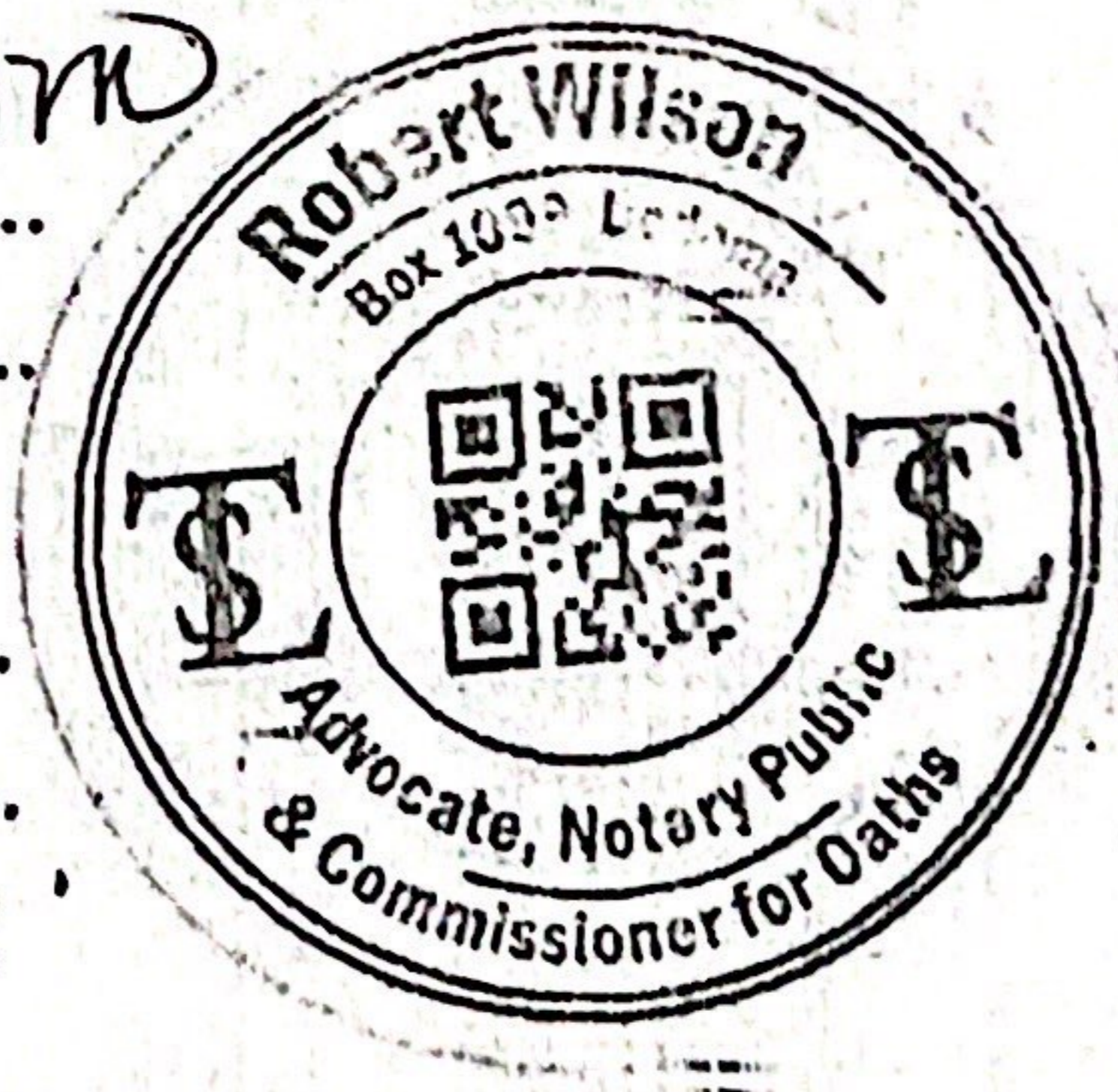
Name: ROSEMARY MSULWA
Signature: [Signature]
Postal address: 1049 - DODDUMA
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Designation: ADVOCATE



SIGNED and DELIVERED by the said HUAI YANG XUAN CO. LIMITED. The latter being known to me personally in my presence this 20TH day of MAY 2023.

Huai Yang Xuan

Name: ROSEMARY MSULWA
Signature: [Signature]
Postal address: 1049 - DODDUMA
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Designation: ADVOCATE



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